

MT LEGISLATIVE HISTORY

Chapter 343 1969

Bill (H) 262 S _____

Original bill & hist. ____C

H. Committee on Judiciary

S. Committee on Taxation

Hearing Date(s) JAN 27 ✓C

Hearing Date(s) FEB 22 ✓C

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Date Out _____C

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Did this bill originate in an interim committee? ____Yes ____No

Committee _____

Report _____

JUDICIARY

COMMITTEE

41st Legislative Assembly

Bill No.	Subject Matter	Date In	Hearing Date	Comments	Date Out	Committee Action	Final Action
HB 198 Wayrynen, Laas, Marks	Providing 30 days written notice before filing a lien on property.	1/17	1/21	Referred to sub-committee	1/28	DO NOT PASS	Killed by House
HB 216 Goan, et al	An act giving libeled person chance to correct libelous matter before suit.	1/20	1/27		1/27	DO NOT PASS	Killed by House
HB 228 Murphy, Hims1, et al	An act relating to classification and appraisal of land by State Board of Equalization.	1/20	1/24	Died in Committee			
HB 259 Rygg, Nugent, et al	To provide for disposition of payment to mortgagee and mortgagor upon destruction of property.	1/21	1/27		1/28	DO NOT PASS	Killed by House
HB 262 Murphy	Providing increased exemptions under inheritance tax law.	1/21	1/27		1/27	DO PASS	
HB 266 Gilligan, et al	Allowing the Legislative Assembly to provide for state and privately operated lotteries.	1/21	1/28		1/31	DO NOT PASS	Killed by House
HB 278 Scott, Murphy	An act to simplify the general certificate of acknowledgment.	1/22	1/29		2/3	DO PASS AS AMENDED	Killed by Senate

January 27, 1969

JUDICIARY COMMITTEE

The meeting of the House Judiciary Committee was held in the Committee Room 300, of the Capitol Building, at 9:00 a.m., January 27, 1969. Chairman Murphy presided and all members were present except Representatives Smith, Stimatz and Williams.

First on the agenda to be heard was House Bill No. 110, to revise the law of eminent domain. Harry Alley, Chief Trial Attorney for the Highway Department appeared as a proponent for this bill and gave a short talk explaining same. Also appearing as a proponent for this bill was Robert D. Corette, representing The Montana Power Company, and as an attorney. Mr. Corette gave a short talk and pointed out that there should be a few amendments, copies of which he left with Chairman Murphy. After questions from the committee members, the witnesses were excused. No opponents appeared.

As no one had appeared in reference to Senate Bill No. 37, provide immunity from liability to owners of facilities used for civil defense activities, it was decided to pass this bill for the day.

House Bill No. 262, providing increased exemptions under inheritance tax laws, and introduced by Rep. Murphy, was briefly explained by him. It was pointed out that there were a couple of typographical errors in the bill and a motion was made by Rep. Harrison that the bill be amended to correct these errors. The motion carried unanimously.

HB 262: Rep. Harrison moved that House Bill No. 262 DO PASS AS AMENDED. The motion carried unanimously.

House Bill No. 259, to provide for disposition of payment to mortgagee and mortgagor upon destruction of property. The bill was introduced by Rep. Rygg and others. As most of the members did not understand the purpose of this bill, Rep. Nyquist asked that the same be passed for the day and he would either have Rep. Rygg appear before the committee for an explanation or he would get more information on it from Mr. Rygg to present to the committee.

It was decided that because House Bill No. 155 was similar in nature to House Bill 278, that it would be passed for the day and considered after the hearing on House Bill 278.

House Bill No. 198 had been referred to the subcommittee. It was reported that this committee would report on same at tomorrow's meeting.

Next bill for consideration was House Bill No. 216, giving libel person chance to correct libelous matter before suit.

HB 216: Rep. Baeth moved that House Bill No. 216 DO NOT PASS. Upon being put to a vote the motion carried with a majority.

NO.	SPONSOR	TAXATION COMMITTEE TITLE	COMMITTEE ACTION	FINAL STATUS
<u>HOUSE BILLS CONTINUED</u>				
	GOAN	RELATING TO CORPORATION LICENSE TAX	BE CONCURRED IN AS AMENDED 3/2	DIED IN CONFERENCE
	FASBENDER	EMPOWERING SBE TO REQUIRE IMMEDIATE PAYMENT OF TAX UNDER CORPORATION LICENSE	BE CONCURRED IN 2-22	SIGNED BY GOVERNOR
	MURPHY	INCREASED EXEMPTIONS UNDER INHERITANCE TAX LAW	BE CONCURRED IN AS AMENDED 2-22	SIGNED BY GOVERNOR
	CRANSTON	WAIVER OF PENALTY FOR NONFILING OF CRUDE OIL STATEMENT	BE CONCURRED IN AS AMENDED 2-25	SIGNED BY GOVERNOR
	EAST	AMENDING CLASS. OF PROPERTY INCLUDING TELEPHONE COMPANIES SERVING RURAL AREAS	BE CONCURRED IN	SIGNED BY GOVERNOR
	BARDANOUVE	REQUIRE CORPORATIONS TO FILE REPORTS OF CHANGES IN FEDERAL TAXABLE INCOME	BE CONCURRED IN 2-20	SIGNED BY GOVERNOR
	WATT	PROHIBITING CHANGE OF METHOD OF ALLOCATING INCOME TO GAIN TAX ADVANTAGE	BE CONCURRED IN 2-20	SIGNED BY GOVERNOR
	WATT	CLASSIFICATION OF CERTAIN REAL PROPERTY	BE CONCURRED IN 2-22	SIGNED BY GOVERNOR
	PAYNE	TIME OF ASSESSMENT OF RESIDENTIAL BUILDINGS	BE NOT CONCURRED IN 2-18	KILLED IN COMMITTEE
	FELSTHAMEL	INCREASE GASOLINE LICENSE TAX	BE CONCURRED IN	SIGNED BY GOVERNOR
	BINSL	MAINTENANCE FOR STATE FIRE MARSHAL'S OFFICE	BE CONCURRED IN 2-25	SIGNED BY GOVERNOR
	DYE	AMOUNT OF DISTRIBUTORS GASOLINE LICENSE TAX	BE CONCURRED IN AS AMENDED, 2-25	SIGNED BY GOVERNOR
	WAYS&MEANS	INCREASE NET INSURANCE PREMIUMS TAX	BE CONCURRED IN	DIED IN SENATE
	FASBENDER	PRIVILEGE TAX UPON POSSESSION AND USE OF TAX EXEMPT PROPERTY	BE CONCURRED IN	SIGNED BY GOVERNOR

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HOUSE BILL 219. Rep. Fasbender explained this was another legislative council recommendation to tighten collection of corporation taxes. This act would empower the state board of equalization to require immediate payment of a tax or deficiency due under any corporation license tax statute of Montana if the Board finds that the collection of the tax or deficiency will be jeopardized in whole or in part by delay. This is especially true of out-of-state contractors who come into the state to do a bid job and then are out of the state before their income tax can be collected. The fiscal note shows an additional \$5,000 revenue would be collected annually. After questions by members of the committee, Mr. Fasbender was excused.

HOUSE BILL 262. Rep. Jim Murphy, District 30, Kalispell, chief sponsor, explained the purpose of this legislation is to provide increased exemptions under the inheritance tax law for the husband and children.

Mr. Thomas Stohl, State Board of Equalization, appeared to state they had run some figures as to the estimated loss and arrived at an approximate figure of \$165,000 annually. How these figures would change in the coming years, Mr. Stohl could not project, but he said it could be figured about 5 percent against each dollar collected. He did state that most of this revenue would be lost from increasing the children's exemption. Questions were asked by committee members and Mr. Murphy and Mr. Stohl were then excused.

HOUSE BILL 284. Rep. Vic East, Forsyth, chief sponsor, said the intent of this bill was to give some tax relief to telephone companies serving rural areas and cities and towns having a population of eight hundred persons or less, by putting them in a Class 2 classification. Maps were offered as an exhibit and attached hereto. Mr. East also offered letters from county commissioners in Rosebud and Treasure Counties (marked Exhibit B and Exhibit C) concurring in this legislation. Rep. John Pierce and John Melcher also appeared to testify in support of House Bill 284. Mr. East introduced Joe L. Curtis, Hysham, who operates the Hysham Telephone Company. Other proponents appearing were Dale E. Clark, Madison Valley Telephone Co. and Phil Farnes, Project Telephone Company.

The committee members made inquiries of those appearing and they were then excused.

The committee then recessed until 12:00.

The committee reconvened at 12:15 and took under advisement the bills heard earlier.

It was recommended that House Bill 199 which was rereferred to the committee be held for further study.

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Senator McGowan moved that HOUSE BILL 284 BE CONCURRED IN.
Senator Mathers seconded and MOTION CARRIED.

Senator Turnage moved the amendments to HOUSE BILL 262 as shown on the committee report be adopted. Senator McGowan seconded. MOTION CARRIED.

Senator Turnage moved that HOUSE BILL 262 AS AMENDED BE CONCURRED IN. Senator McGowan seconded and MOTION CARRIED.

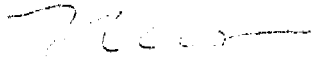
Senator Anderson moved that HOUSE BILL 351 BE CONCURRED IN.
Senator Turnage seconded and MOTION CARRIED.

Senator Gilfeather moved that HOUSE BILL 219 BE CONCURRED IN.
Senator Lyon seconded. MOTION CARRIED.

Senator Gilfeather moved that the amendments to HOUSE BILL 140 as shown on the committee report BE ADOPTED. Senator Turnage seconded and MOTION CARRIED.

Senator Anderson moved HOUSE BILL 140 AS AMENDED BE CONCURRED IN. Senator Gilfeather seconded. MOTION CARRIED.

There being no further business, the meeting was adjourned.



SENATOR NEES, Chairman

dollars (\$475) for each additional year of service up to and including the twentieth year of such additional service."

Approved: March 13, 1969.

CHAPTER NO. 343

An Act Amending Section 91-4414, R.C.M. 1947, to Provide Increased Exemptions Under the Inheritance Tax Law.

Be it enacted by the Legislative Assembly of the State of Montana:

Amending clause.

Section 1. Section 91-4414, R.C.M. 1947, is amended to read as follows:

Exemptions from first \$25,000.

"91-4414. **Exemptions from first \$25,000.** The following exemptions from the tax are hereby allowed, the exemption allowed to each person, institution, association, corporation and body politic to be taken out of the first twenty-five thousand dollars passing by any such transfer to such person, institution, association, corporation or body politic:

Transfers totally exempt.

(1) **Transfer totally exempt.** All property transferred to the state or any of its institutions, or to municipal corporations within the state for strictly county, city, town, or municipal purposes, shall be exempt. All property transferred to any society, corporation, institution, or association, in trust or otherwise, or to any foundation or trust, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, no part of the net earnings of which inures to the benefit of any private stockholder or individual, and no substantial part of the activities of which is carrying on propaganda or otherwise attempting to influence legislation, shall be exempt, if any of the following conditions is present:

(a) The society, corporation, institution, foundation, trust, or association is organized solely for religious, charitable, scientific, literary, or educational purposes under the laws of this state or of the United States;

(b) The property transferred is limited for use within this state;

(c) In the event that the society, corporation, institution, foundation, trust, or association is organized or existing under the laws of another state of the United States or of a foreign state or country, at the date of the decedent's death any one of the following conditions existed:

(i) The other state, foreign state, or foreign country did not impose a legacy, succession, or death tax of any character in respect to property transferred to a similar society, corporation, institution, foundation, trust, or association organized or existing under the laws of this state;

(ii) The laws of the other state, foreign state, or foreign country contained a reciprocal provision under which property transferred to a similar society, institution, foundation, trust, or association organized or existing under the laws of another state of the United States or foreign state or country was exempt from legacy, succession or death taxes of every character, if the other state of the United States or foreign state or country allowed a similar exemption in respect to property transferred to a similar society, institution, foundation, trust, or association organized or existing under the laws of another state of the United States or foreign state or country;

(iii) The society, corporation, institution, foundation, trust, or association owns or operates a hospital for crippled children within the United States, primarily practicing orthopedics, to which crippled or afflicted children from the state of Montana are, without discrimination, gratuitously admitted and treated and the property transferred is limited for use at such hospital.

(2) **\$20,000; \$5,000; \$2,000 exempt, when.** Property of the clear value of twenty thousand dollars (\$20,000), transferred to the wife or to the husband of the decedent, *five thousand dollars (\$5,000) transferred to each minor lineal issue of the decedent, or any child adopted as such in conformity with law, or any child to whom such decedent stood in the mutually acknowledged relation of a parent, provided, however, such relationship began at or before the child's fifteenth (15) birthday, and was continuous for ten (10) years, or any lineal issue of*

Exemptions—when.

such adopted or mutually acknowledged child, and two thousand dollars (\$2,000) transferred to each of the lineal issue who have attained majority and to each of the other persons described in the first subdivision of section 91-4409 shall be exempt. Such exemption to the widow shall include all her statutory dower and other allowances. Any child of the decedent shall be entitled to credit for so much of the tax paid by the widow as applied to any property which shall thereafter be transferred by or from such widow to any such child, provided the widow does not survive said decedent to exceed ten years.

\$500 exempt—
when.

(3) **\$500 exempt, when.** Property of the clear value of five hundred dollars transferred to each of the persons described in the second subdivision of section 91-4409 shall be exempt.

Property without
the state exempt—
when.

(4) **Property without the state exempt, when.** No tax shall be imposed upon any tangible personal property of a resident decedent when such property is located without this state, and when the transfer of such property is subject to an inheritance or transfer tax in the state where located and which tax has actually been paid, secured or guaranteed, provided such property is not without this state temporarily nor for the sole purpose of deposit or safekeeping; and provided the laws of the state where such property is located allow a like exemption in relation to such property left by a resident of that state and located in this state."

Approved: March 13, 1969.

CHAPTER NO. 344

An Act to Amend Section 26-104, R.C.M. 1947, by Providing That All Drawings for Elk Permits Under a Special Season Shall Be Held in the City or Town Which Has Suitable Accommodations for the Persons Who Will Attend the Drawing Nearest to the Area to be Hunted But in No Case Shall the Drawing Be Held in a City or Town More Distant Than the County Seat Nearest to the Area to Be Hunted.

Be it enacted by the Legislative Assembly of the State of Montana:

Section 1. Section 26-104, R.C.M. 1947, is amended to read as follows: Amending clause.

"26-104. **Powers and duties of commission.** (1) The commission hereby created shall have supervision over all wildlife, fish, game, and nongame birds, and waterfowl, and the game, and fur-bearing animals of the state, and shall possess all powers necessary to fulfill the duties prescribed by law with respect thereto, and to bring actions in the proper courts of this state for the enforcement of the fish and game laws of the state, and the orders, rules and regulations adopted and promulgated by the commission. Powers and duties of commission.

(2) It shall have full power and authority to enforce all the laws of the state of Montana, respecting the protection, preservation and propagation of fish, game, and fur-bearing animals, game and nongame birds, within the state.

(3) It shall have the exclusive power to expend for the protection, preservation and propagation of fish, game, and fur-bearing animals, and game and nongame birds, all funds of the state of Montana collected or acquired for that purpose, whether arising from state appropriation, licenses, fines, gifts, or otherwise, all sums collected or received from the sale of hunting and fishing licenses or permits, from the sale of seized game or hides, or from fines, damages collected for violations of the fish and game laws of this state, from appropriations, or received by the commission from any other sources are hereby appropriated to and placed under control of the Montana fish and game commission.

(4) It shall have power to discharge any appointee or employee of such commission for cause at any time.

(5) It shall have full power and authority to dispose of all property owned by the state of Montana, used for the protection, preservation and propagation of fish, game, and fur-bearing animals, and game and nongame birds, which shall have been found to be of no further value or use to the state, and shall turn over proceeds arising therefrom to the state treasurer to be by him credited to the state fish and game fund.